eSports in Korea: Past, Present & Future

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History of Korean eSports

Dplus **KIA**

The development of Korean eSports can be divided into four phases:

1994
The first commercial internet service in Asia was launched

1998
'Starcraft' game service launched in Korea

1998
The first professional esports league 'KPGL' launched

1999
Esports broadcasting channels (Cable & Web TV)were established

2001
The first global esports medal tournament 'World Cyber Games' has launched

2002
The PC package game market is being replaced by the online game market

2004
100,000 people gather at Gwangalli Beach in Busan to watch the 'Starcraft' competition

2007
World's first eSports broadcasting rights deal takes place in Korea

2010
Professional gamer match-fixing scandal breaks out

2011
'Starcraft' intellectual property dispute occurs around 3 parties of 'Starcraft' esports (esports federation, broadcasting company, Blizzard Entertainment)

2012
'League of Legends' MAU surpasses 'Starcraft' MAU and became the most popular esports in Korea

2015
Esports recognized as an official sport by the goverment

2017
PUBG, a battle royale genre game, becomes a globally popular game

2020
Launch of the E-Sports Fair Trade Commission and strengthening of player rights at the government level

2020
Introduction of LCK franchise league

2021
Esports popularity grows despite COVID-19

2022
In the case of LCK, a soft salary cap was introduced due to the rapid increase in players' salaries

2023
As esports were adopted as an official medal event at the Hangzhou Asian Games, it became an opportunity for many people to re-recognize esports as a sport

2024
LCK club wins Worlds for 3 consecutive years

**Phase One
(1994 – 2001)**

**Phase Two
(2002 – 2011)**

**Phase Three
(2012 – 2020)**

**Phase Four
(2021 – Present)**

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Growth of the gaming industry

eSports Specific broadcasting
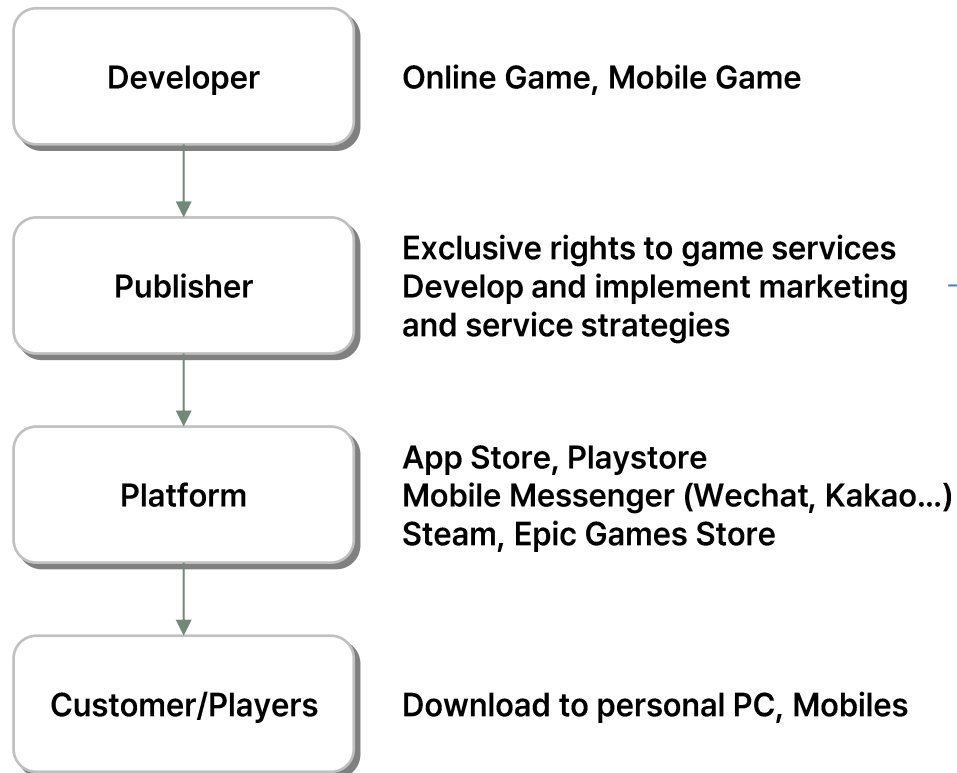
Player Development

Media Partners

Growth of the gaming industry
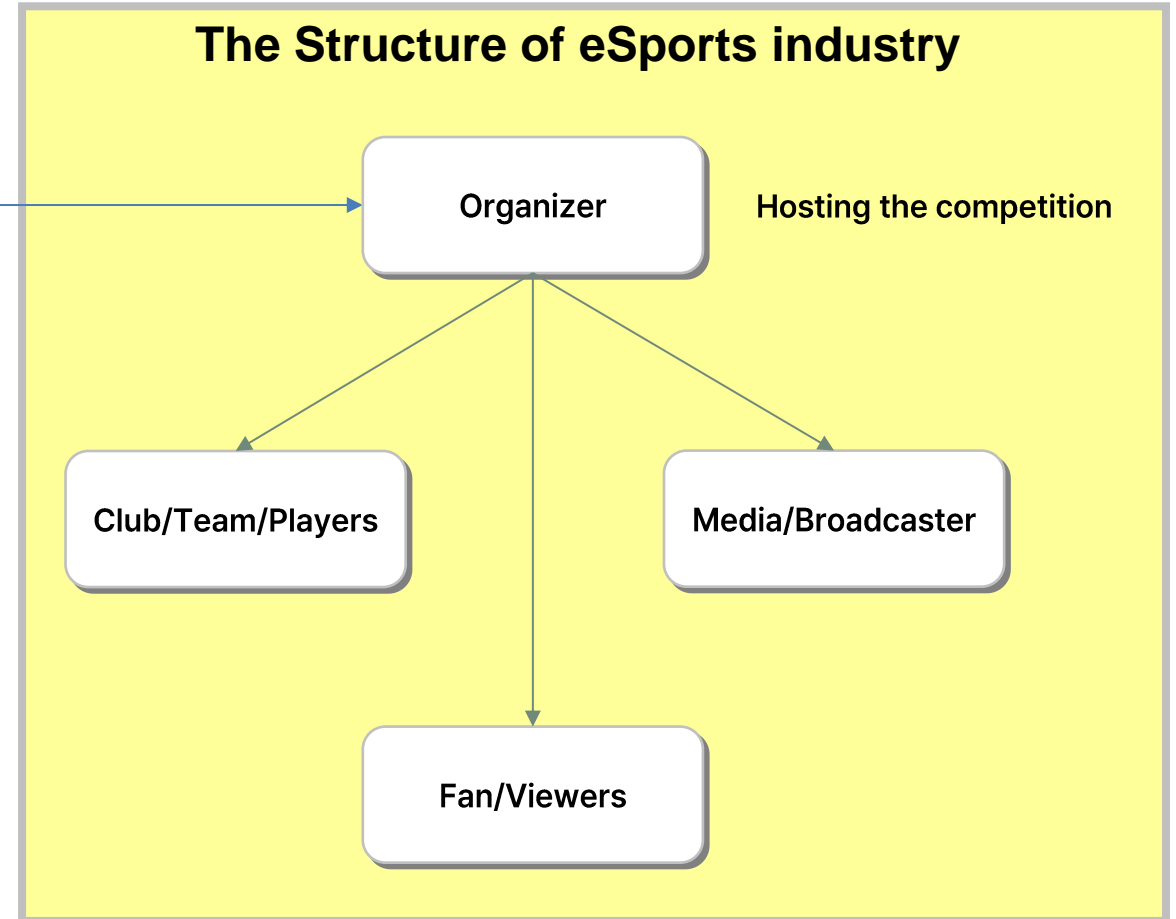
eSports Specific broadcasting

Player Development

Media Partners

The Structure of Gaming industry

Developer — Online Game, Mobile Game

Publisher — Exclusive rights to game services
Develop and implement marketing
and service strategies

Platform — App Store, Playstore
Mobile Messenger (Wechat, Kakao...)
Steam, Epic Games Store

Customer/Players — Download to personal PC, Mobiles

The Structure of eSports industry

Organizer — Hosting the competition

Club/Team/Players

Media/Broadcaster

Fan/Viewers

Growth of the gaming industry

Trend of increase in number of PC rooms nationwide in the early 2000s

Status of domestic gaming population
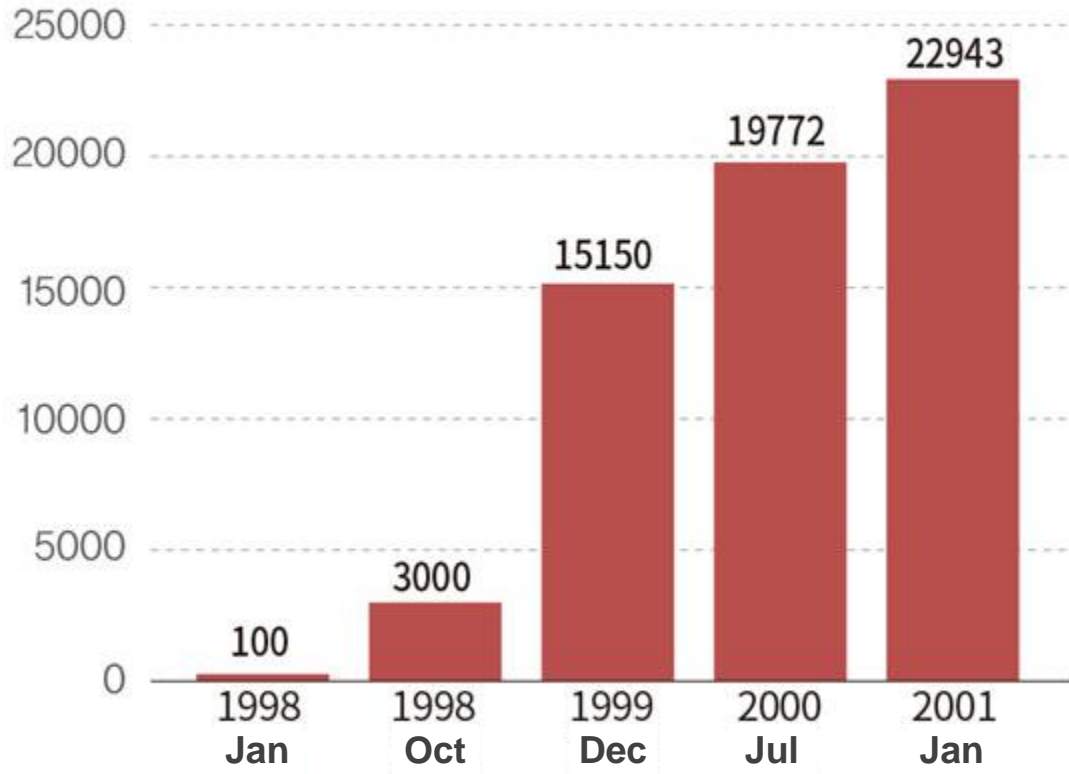
*Source: Korea Creative Content Agency

*Unit: 10,000

Year	Total Internet User	Gamer
1999	943	183
2000	1904	407
2001	2438	580
2002	2726	1199
2003	2922	1723
2004	3158	1693

*Source: Government suvery, Ministry of IT and Communication

League Structure

eSports Specific broadcasting

Player Development

Media Partners

League Structure

eSports Specific broadcasting

Player Development

Media Partners

eSports specific broadcasting

The growth of gaming broadcasters

Dplus **KIA**

League Structure

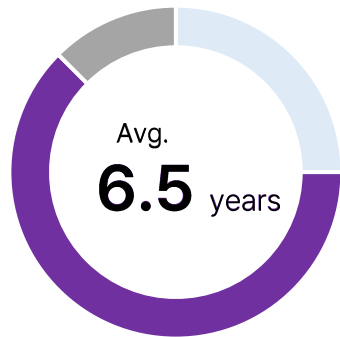**eSports Specific broadcasting**

Player Development

Media Partners

Korean eSports, NOW

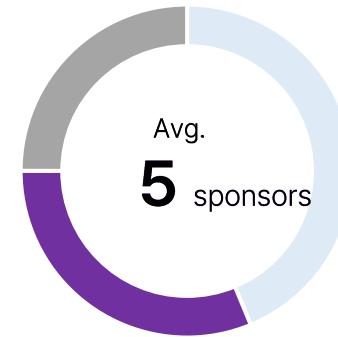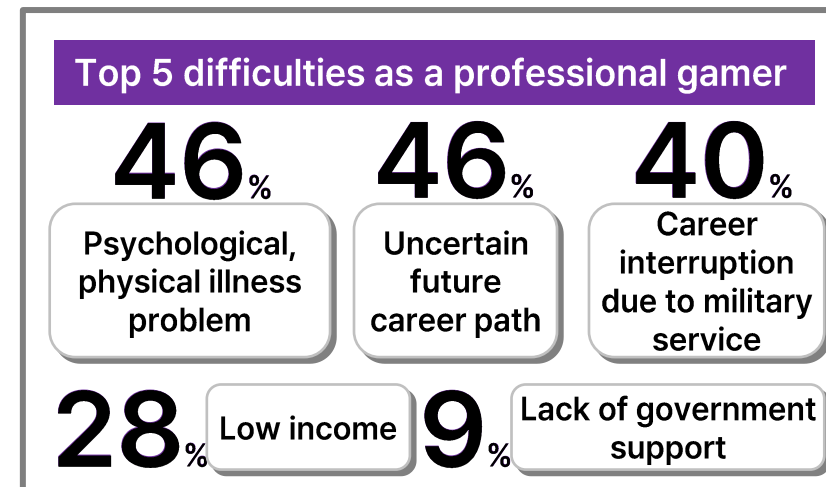# Statistics around esports club and player in Korea (2023)

Dplus KIA

1
PUBG
(15 teams)
18.8%
PUBG BATTLEGROUNDS

2
Valorant
(12 teams)
15.0%
VALORANT

3
LOL
(10 teams)
12.5%
LEAGUE OF LEGENDS

4
Overwatch
(8 teams)
10.0%
OVERWATCH

5
PUBG m
(7 teams)
8.8%
PUBG MOBILE

40 professional esports clubs, **80** professional teams

Business history

Avg.
6.5 years
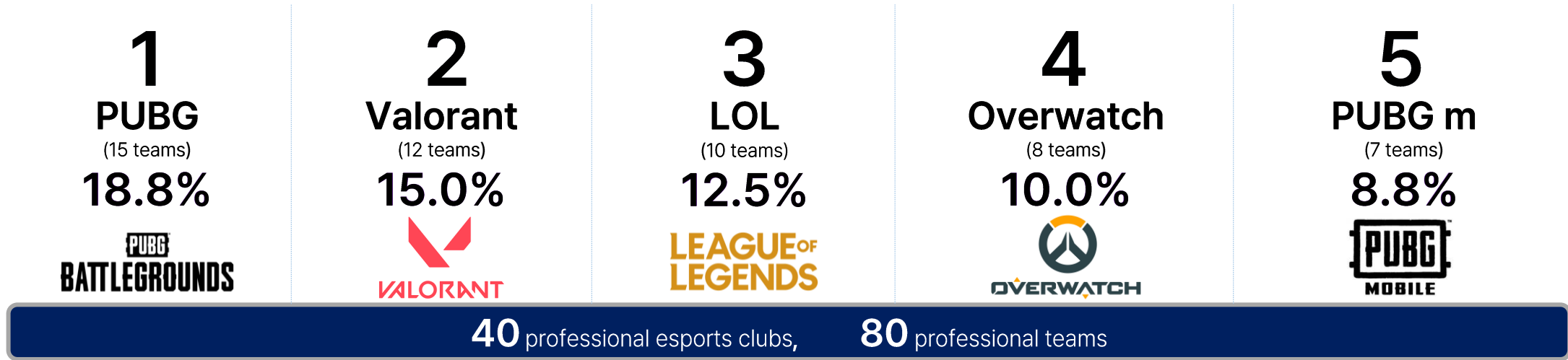
▪ ~4 years ▪ 4 ~ 11 years ▪ 11 years~

Numbers of sponsor

Avg.
5 sponsors

▪ 7 sponsors~ ▪ ~ 3 sponsors ▪ 4 ~ 6 sponsors
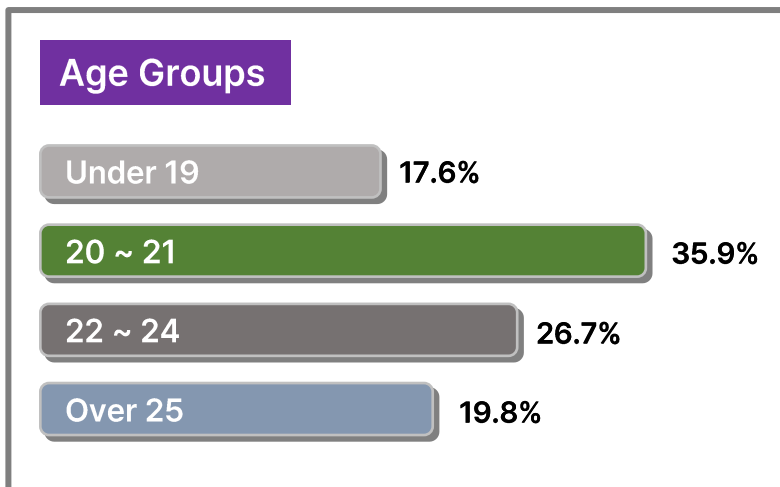
Statistics around esports club and player in Korea (2023)

Numbers of players in domestic clubs

Professional players	398
Youth team players	200
Coaching staff	202

Numbers of export player in oversea clubs

Professional players	403
Coaching staff	108

Age Groups

Under 19 — 17.6%
20 ~ 21 — 35.9%
22 ~ 24 — 26.7%
Over 25 — 19.8%

Average training hours per day

7.2 HOURS
Weekdays
(Monday ~ Friday)

6.8 HOURS
Weekend
(Saturday, Sunday)

Top 5 difficulties as a professional gamer

46% Psychological, physical illness problem

46% Uncertain future career path

40% Career interruption due to military service

28% Low income

9% Lack of government support

FUTURE OF Korean eSports

Introduction of Sport Analytics to esports

Sports Analytics, which is widely used in traditional sports, is also an important part of e-sports and is also Dplus KIA's unique competitive edge.

Decision-making related to players, such as recruiting, evaluating, calculating annual salaries, and promoting to the first team,

is made with the assistance of a data-based evaluation system.

LCK clubs' operating expenses and expected performance

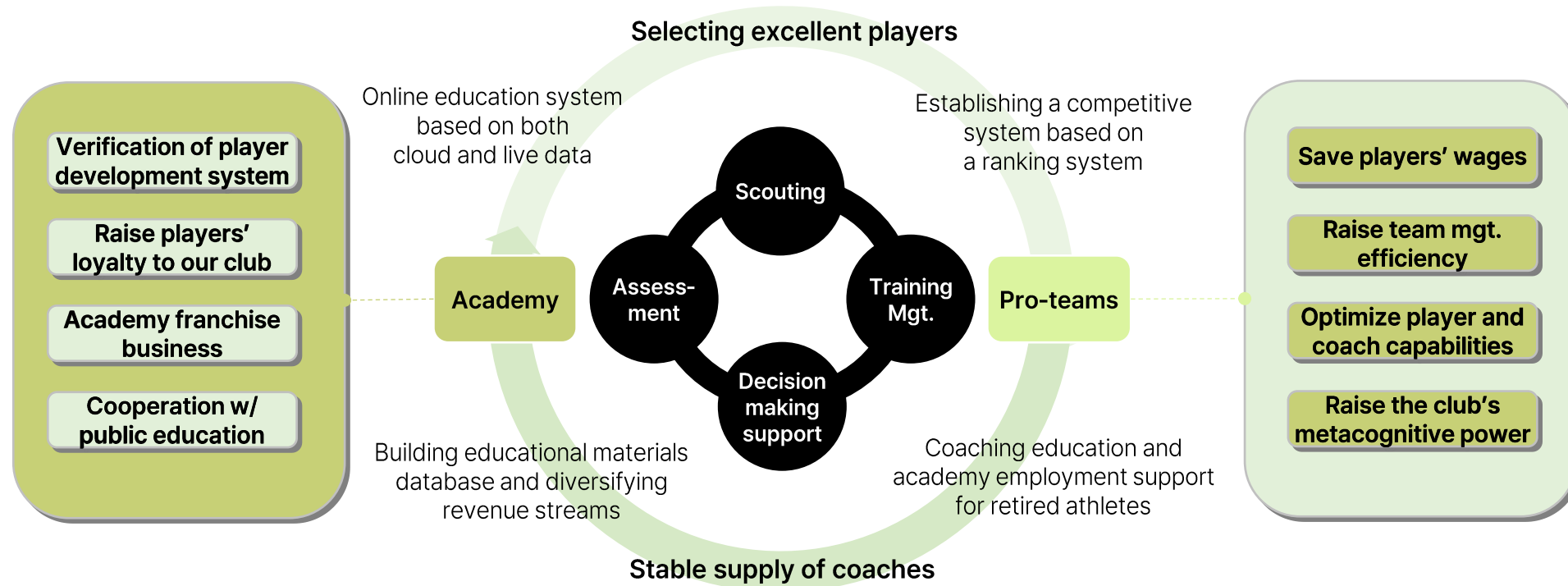|	
Always challenge for the LCK championship	USD 8 M
Advance to the Worlds	USD 6 ~ 7M
Advance to the LCK Playoff	USD 4 ~ 5M

Redefining Productivity to build a winning team

Even teams with limited capital can win the competition if they can find the Most Productive Players at a low cost.
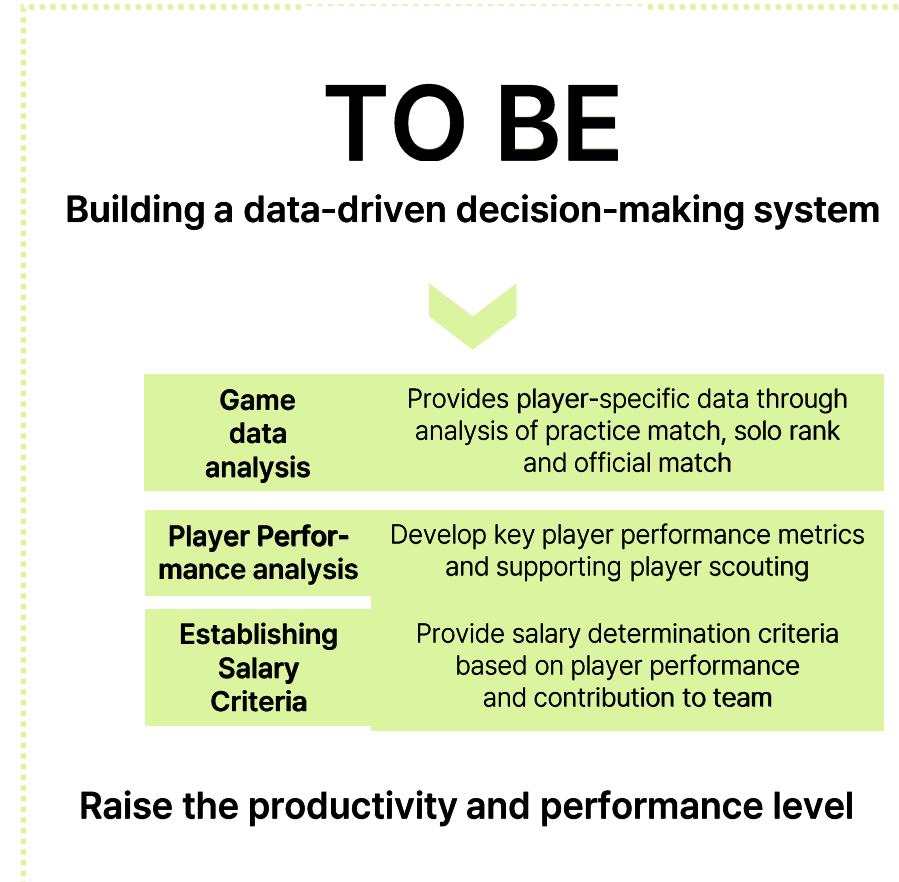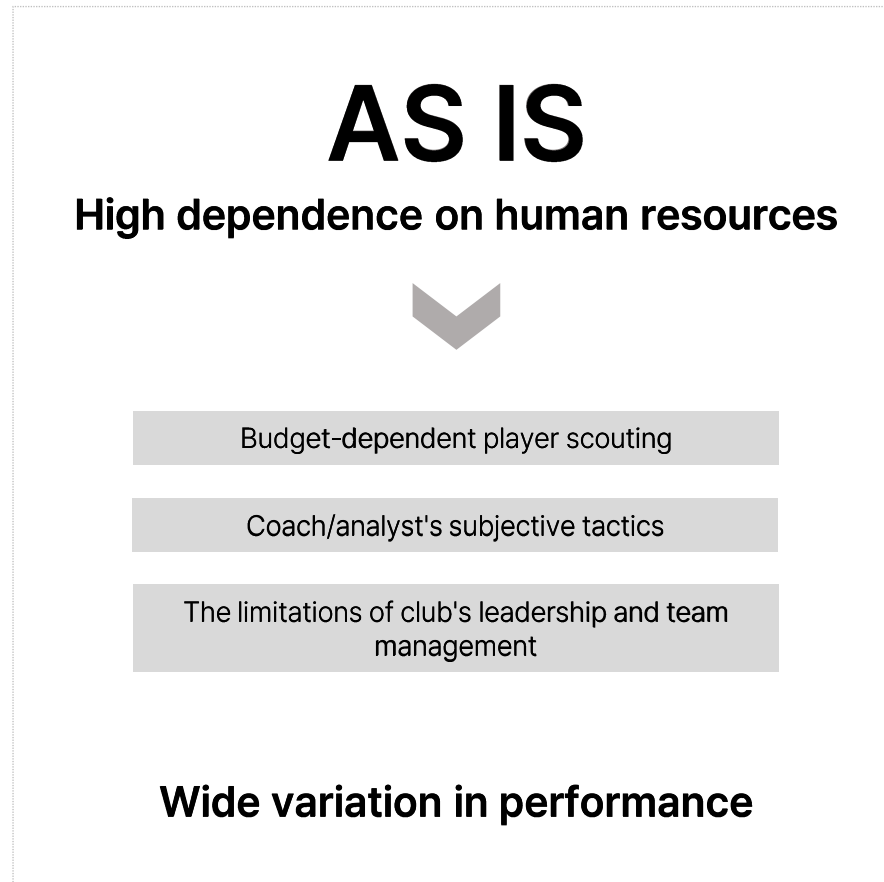
MLB Oakland paid three times less than the New York Yankees in the 1999-2002 seasons and earned just two wins short of the mark.

Introduction of Sport Analytics to esports

Verification of player development system

Raise players' loyalty to our club

Academy franchise business

Cooperation w/ public education

Selecting excellent players

Online education system based on both cloud and live data

Establishing a competitive system based on a ranking system

Scouting

Assess-ment

Training Mgt.

Academy

Pro-teams

Decision making support

Building educational materials database and diversifying revenue streams

Coaching education and academy employment support for retired athletes

Stable supply of coaches

Save players' wages

Raise team mgt. efficiency

Optimize player and coach capabilities

Raise the club's metacognitive power

Introduction of Sport Analytics to esports

1) Decision making support

- In order to reduce the gap caused by differences in the individual capabilities of managers/coaches/analysts,

  it is necessary to strengthen the competitiveness of the club itself, and to this end, a data-driven decision-making system is introduced.

AS IS

High dependence on human resources

Budget-dependent player scouting

Coach/analyst's subjective tactics

The limitations of club's leadership and team management

Wide variation in performance

TO BE

Building a data-driven decision-making system

Game data analysis	Provides player-specific data through analysis of practice match, solo rank and official match
Player Performance analysis	Develop key player performance metrics and supporting player scouting
Establishing Salary Criteria	Provide salary determination criteria based on player performance and contribution to team

Raise the productivity and performance level

Introduction of Sport Analytics to esports

2) Player scouting

- The existing manual player selection method has been replaced with a DB linked to RIOT GAMES' API
- Data-driven player profile search and high-potential player tracking and notification system

AS IS

Absence of youth player scouting system

⌄

Individually contact promising players through test notices, academy operations and rank searches.

Promising players choose the top 2 most recognizable clubs (T1 or Gen.G)

Increased performance gap between clubs

TO BE

Data-driven player scouting

⌄

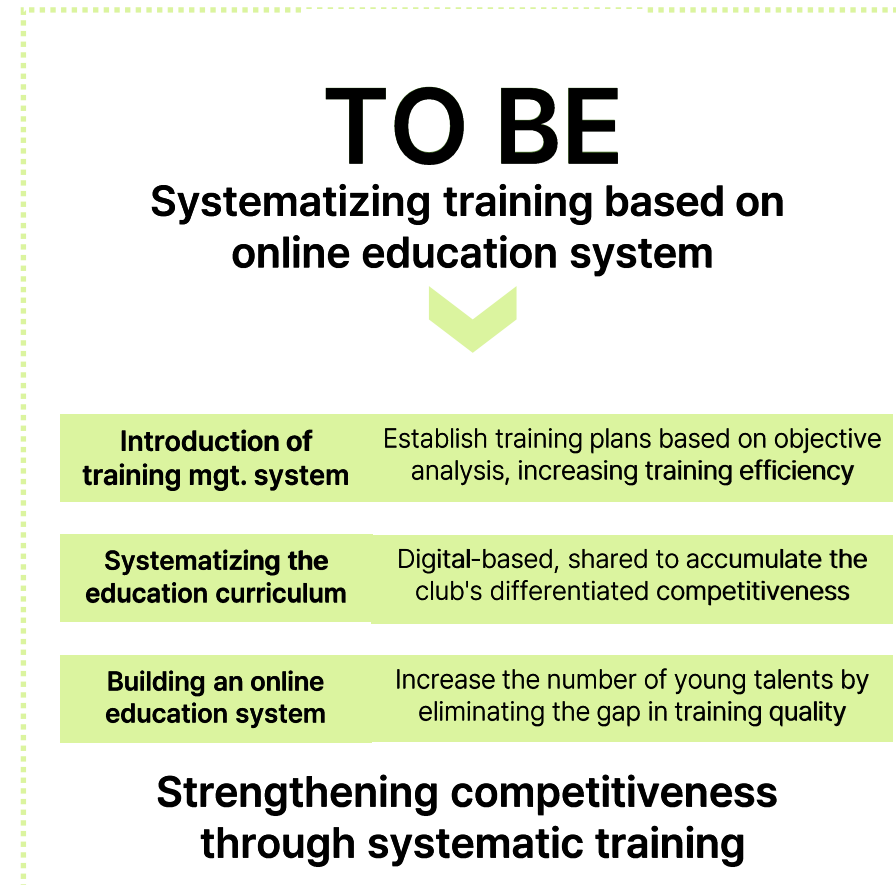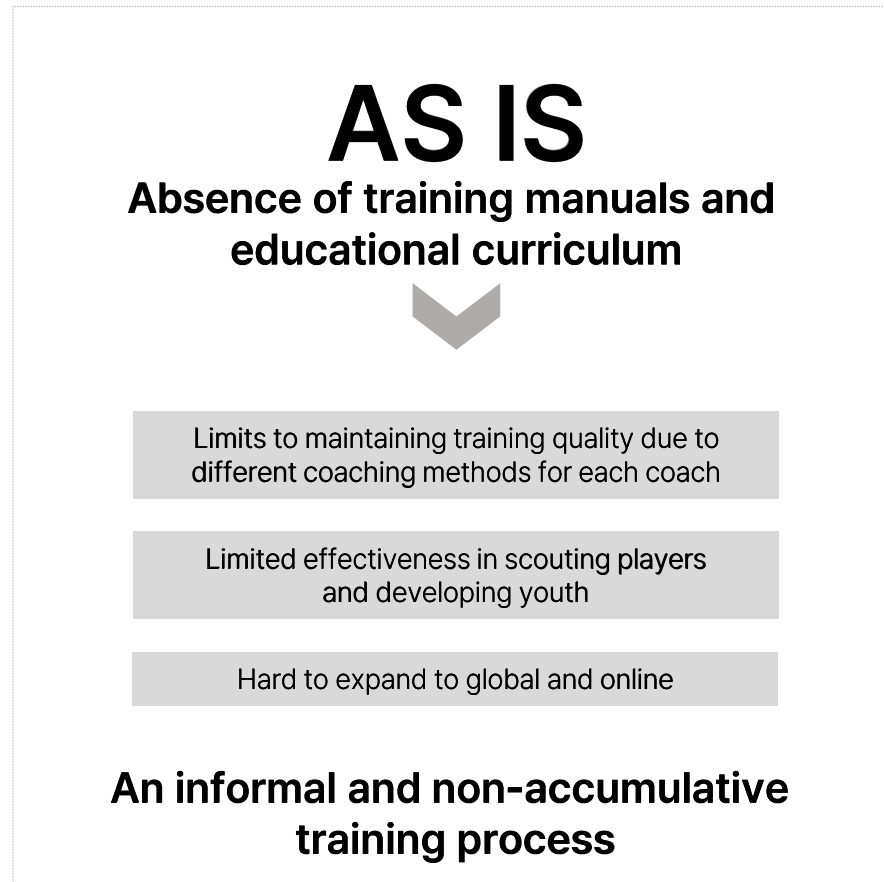| Tracking potential players | Track and notify young & talented players with high tier progression and key data points |
| Solo Rank DB Analysis | Quick search for customized players through key data criteria search |

Securing top talents through pre-discovery

Introduction of Sport Analytics to esports

Dplus KIA

3) Training management

- Introducing a training solution that digitally transforms existing offline academy processes
- Provides motivation for top tier players to grow further

AS IS
Absence of training manuals and educational curriculum

Limits to maintaining training quality due to different coaching methods for each coach

Limited effectiveness in scouting players and developing youth

Hard to expand to global and online

An informal and non-accumulative training process

TO BE
Systematizing training based on online education system

Introduction of training mgt. system	Establish training plans based on objective analysis, increasing training efficiency
Systematizing the education curriculum	Digital-based, shared to accumulate the club's differentiated competitiveness
Building an online education system	Increase the number of young talents by eliminating the gap in training quality

Strengthening competitiveness through systematic training

E.O.D

Thank you